The CHANGING STRUCTURE of the WORKING CLASS

By J. M. Budish

In Collaboration with
Labor Research Association

INTERNATIONAL PUBLISHERS: *New York*

The CHANGING STRUCTURE of the WORKING CLASS

By J. M. Budish

In Collaboration with
Labor Research Association

INTERNATIONAL PUBLISHERS: *New York*

Library of Congress Catalogue Number 62-16301

© by INTERNATIONAL PUBLISHERS CO., INC., 1962

PRINTED IN THE U.S.A.

I. THE AMERICAN WORKING CLASS

In recent years we have been deluged by propaganda based on the assertion that the working class comprises a dwindling minority of the labor force, that it is increasingly being dissolved in a "middle class" of white-collar workers.

This propaganda aims to discourage and undermine all independent labor action. It is directed not only against any development of independent political action by organized labor. It seeks also to weaken organized labor even in its "recognized" sphere of traditional trade unionism. By proclaiming the white-collar workers as a sort of "middle class" that grows faster than the workers, an attempt is made to erect psychological barriers against unionization of white-collar workers, thus undermining the effectiveness of organized labor.

The magazine *Fortune* reported in April , 1958, that "for the first time in U.S. history, the number of white-collar workers exceeded the number of blue-collar workers" and that therefore "the working class is no longer the major factor in the total labor force."

The *Wall Street Journal,* May 19, 1959, headlined its report of a study by two Princeton professors on the rapid growth of administrators — staff assistants to executive personnel — "Bosses Multiplying Faster than Workers, Researchers Find." We are informed that "the ratio of bosses-to-workers is higher than it ever has been — and it seems to be headed higher still."

This propaganda is carried on not only in the U.S. but also in other major capitalist countries, in all of which enormous resources are devoted to manipulate and misinterpret facts and statistics in order to bolster this line. The purpose of this book is to analyze the facts relating to the alleged dwindling of the working class.

The contention that the working class is "dissolving" or "vanishing," as we shall see later, is based on three major

errors. 1. It depends on the erroneous definition and classification of the economically active people by function or particular skill, rather than by their relationship to the means of production, or their ownership or non-ownership of the tools, equipment and materials which they have to use in their work. 2. It is based on the confusing of occupational groupings with social classes. 3. It is based on the deliberate throwing together of distinctly heterogeneous groupings, such as self-employed, professionals and clerical workers, and even proprietors or capitalists, into a single artificial category of so-called "white-collar workers."

OCCUPATIONAL STRUCTURE OF THE LABOR FORCE

Let us consider the pertinent figures for 1960 and then also for the last six decades, since 1900. Of the total U.S. population of 182.3 million in 1960, (without Alaska and Hawaii), 124.9 million were 14 years of age and older (and not confined in any institution such as a prison or asylum). Of this total, 60.8 million were male and 64.1 million female. About 81% of the total adult male population, or over 49.3 million males, were economically active, i.e. either engaged in some economic activity or seeking such work, or were in the Armed Forces. Some 23½ million adult women, or almost 36.7% of the total, were in the labor force, including the Armed Forces.

The total labor force, including Armed Forces, both men and women, thus comprised 72.8 million persons or 58.3% of the total non-institutional population 14 years of age or older. The remainder (over 52 million) consisted of housewives, students in schools and colleges, retired persons and others not engaged in any economic activity and not looking for such work, and consequently not considered in the labor force.

Of the nearly 73 million people in the total labor force 2.5 million, or 3.5% were in the Armed Forces leaving a civilian labor force in 1960 of 70.3 million — 46.8 million male and 23.5 million female. Of that number, an average of 3.9 million — 2.5 million male and 1.4 million female — or

5.6% were fully unemployed during the entire year. Thus, total civilian employment (including full-time and part-time workers) in 1960 was 66.4 million including 44.3 million male and 22.1 million female. Including Alaska and Hawaii the total labor force was 66.7 million.

In 1900, total civilian employment amounted to 29 million (23.7 million male and 5.3 million female). During these six decades the total employed civilian labor force increased 129%. However, the number of males in the employed civilian labor force increased by only 87%, while the number of females increased by 317%.

The total employed civilian labor force is divided by U.S. Census statistics into three major occupational groupings: people engaged in farming; manual and service workers; and white-collar workers. The trend of the distribution of the entire civilian labor force among three major occupational groupings, by decades, is shown in the detailed statistics of the Bureau of the Census. Here is a concise summary of these data:

MAJOR OCCUPATIONAL GROUPINGS

	1900	1920	1940 (in millions)	1959	1960*
Total employed	29.0	42.2	51.7	65.6	66.7
White-collar workers	5.1	10.5	16.1	27.8	28.7
Manual and service workers	13.0	20.3	26.7	32.2	32.5
Of these:					
Manual	10.4	17.0	20.6	24.2	24.2
Service	2.6	3.3	6.1	8.0	8.3
Farmers, farm managers and laborers	10.9	11.4	9.0	5.6	5.4
Of these:					
Farm laborers & foremen	5.1	4.9	3.6	2.6	2.6

*The figures for 1960 include Alaska and Hawaii, and are not strictly comparable with figures for preceding years which do not include them. However, percentage changes are not significantly affected. Without Alaska and Hawaii total number of employed in 1960 was 66.1 million. Detail may not add to total because of rounding.

SOURCES: U.S. Department of Commerce, Bureau of the Census, *Occupational Trends in the U.S.* 1900-1950, Washington, 1958; U.S. Department of Labor, Bureau of Labor Statistics. *Special Labor Force Report*, No. 14, April 1961.

Farming Occupations. This is the only major grouping that shows an absolute and even greater proportional decline since the turn of the century. The number of people engaged in farming decreased by one-half, from 10.9 million in 1900 to 5.6 million in 1959, and 5.4 million in 1960. Their proportion in the total employed civilian labor force was less than 9% in 1959 and only slightly above 8% in 1960 as against 37.5% in 1900.

Manual and Service Workers. An entirely different picture is presented by the occupational grouping of manual and service workers, often called the "blue-collar" workers. Their number grew two-and-a-half times, from 13 million in 1900 to 32.5 million in 1960. This grouping increased a little faster than the total labor force. Its proportion of total civilian employment increased from not quite 45% in 1900 to nearly 49% in 1960.

However, the growth of the manual and service workers slowed down during the last two decades. Up to 1940 their number increased at a substantially faster rate than the entire civilian labor force, and their proportion grew from less than 45% in 1900 to 51.5% in 1940. In the following decade, from 1940 to 1950, they just kept pace with the growth of the entire labor force. But in recent years this grouping fell behind. From 1950 to 1960 the entire employed civilian labor force increased by 13% while the number of manual and service workers grew by only 7%. As a result, the proportion of manual and service workers in total civilian employment declined from 51.6% in 1950 to 49% in 1959 and to 48.8% in 1960.

White-Collar Workers. Next to manual and service workers, the group of white-collar occupations is the most numerous. In 1960 there were almost 29 million employed white-collar workers as against over 32½ million of manual and service workers. However, the white-collar occupations grew much more rapidly. Their numbers increased five-and-a-half times (or by 463%), from 5.1 million in 1900 to 28.7 million in 1960. For the entire 60-year period the rate of growth of the white-collar grouping was practically 3½ times greater than that of the entire labor force. And while its pace

of increase fluctuated, it never fell below double the rate of increase for the entire civilian labor force. That was the case during the decade of 1930-1940, when the number of white-collar workers increased by 12% as against an overall increase of 6%. However, during the last decade, 1950 to 1960, the white-collar group grew at the faster pace of 33% compared with a 13% increase for the entire employed civilian and labor force.

It is this fast rate of growth of the white-collar occupations which is used to support the claim that the working class is dwindling and being dissolved within the white-collar workers, who are presented as the new middle class. However, a close examination of the various occupations included by the U.S. Census in the white-collar grouping will show that there is no justification for classifying these workers as middle class. But before proceeding with such an examination it is, first necessary to agree on a definition of the term "working class."

DEFINITION OF "WORKING CLASS"

In the broadest terms the working class, or the proletariat, is the class of wage (salary) workers deprived of the means of production and therefore obliged to sell its labor power to the capitalists—the owners of the means of production. Conversely, the capitalist class, or the bourgeoisie, is the class which owns the means of production and uses them to exploit wage labor by appropriating the net added surplus value produced by the workers over and above the value represented by the wages paid to them.

Lenin's classic definition of social classes is formulated in the following scientifically more precise terms:

"Classes are large groups of people which differ from each other by the place they occupy in an historically determined system of social production, by their relation (in most cases fixed and formulated in the laws) to the means of production, by their role in the social organization of labor, and, consequently, by the magnitude and the mode of acquiring the portion of social wealth of which they dispose. Classes are such groups of people, one of which can appropriate the

labor of another owing to the different places they occupy in a definite system of social production." *

The position of the wage and salary workers, or the working class, in our present U.S. social system of production is such that they do not own any means of production, and have no voice in determining whether production should or should not continue, or as to what, how, and how much is to be produced.

Since they are obliged to sell their labor power to the capitalist owners of the means of production in order to exist, the workers are forced to accept in wages only part of the new added value their labor creates in the process of production. The balance of that new added value known as surplus value over and above the wages paid to the workers is appropriated as profits by the employers, or the capitalist class.

The capitalist employers occupy the command position in our social system of production. They determine and direct what, how and how much is to be produced, how many workers should be employed and, finally, whether production is to continue or to be discontinued. This enables them as owners of the means of production to appropriate a part of the labor of the working class, that is, the surplus value the workers produce over and above the wages paid to them.

To illustrate. In the course of the negotiations for a new agreement between the United Automobile Workers and the Ford Motor Co. in July 1961, it was established by the union (and the fact was not challenged by the company) that in 1960, out of the work of each of its 120,000 production or hourly workers the Ford company made $5,853 in profits. The average wage for the auto industry is $2.80 an hour. On the unlikely most liberal assumption that on the average each auto worker had 50 full 40-hour weeks of employment during 1960, the average amount of wages paid to each auto worker by the Ford Co. did not exceed $5,600. In other words, the Ford company, due to the fact that it owns the means of production was able to extract from each of its production workers a greater (average) amount of gross

*V. I. Lenin, *Collected Works,* 4th Russian Edition, Volume 29, p. 388.

profits, namely $5,853, than the total amount of wages it paid on the average to its workers.

In 1960 the total amount of gross profits (or surplus value) appropriated by Ford out of the labor of all the 120,000 production (hourly) workers was $703 million.

It is the inherent and continual tendency of the capitalist economy to divide the people into these two basic classes—the working class and the capitalist class. However, "the stratification of classes does not appear in its pure form" even at a high stage of capitalist development. For, besides the two basic classes, there are intermediate strata—mostly survivals of pre-capitalist social formations, which are in various stages of transition either (in some minor extent) to the capitalist class or (in their overwhelming majority) to the working class.* By their economic position these middle strata are situated between the capitalists and the workers.

The middle strata include small producers who own or hold title to limited means of production and are, therefore, not forced to sell their labor power to the capitalists, although they are indirectly subject to increasing exploitation by big business. Their production is based primarily on their own labor, though they may also employ and exploit some incidental assisting hired wage workers. This category of the middle strata includes the small and lower middle or so-called family farmers, handicraftsmen, small neighborhood retailers and service establishments.

It also takes in marginal small manufacturers—sub-contracting shops and producers of parts for big capitalist enterprises. As owners of some means of production who do not work for wages, and especially those who do exploit hired auxiliary workers, they come close to the capitalist class. Many of them aspire to become, and some actually succeed in becoming, capitalists. But they depend primarily on their own labor and are indirectly subjected to increasing exploitation by monopoly capital through extortionate interest rates on credit and mortgages, through control of their markets by big business, through administered high prices exacted from them on materials and supplies they have to buy, and

*Cf. Karl Marx, *Capital*, Volume III, Kerr, p. 1031.

through administered low prices on the commodities they produce and have to sell, as well as through arbitrary withdrawal of licenses. As a result these middle strata come close to the working class. A majority of them are forced out of their unstable "independent" businesses and forced into the ranks of the working class.

The middle strata also include self-employed professionals (primarily physicians, lawyers, brokers, scientists and consulting engineers, investment and public relation consultants, and others maintaining their own offices). It covers also the topmost salaried workers in the ranks of management, government and the Armed Forces. While not possessing their own means of production, some of these people do exercise a secondary degree of control over the means of production and the work force. Some of them also own company stocks which give them a share in the ownership, if not the control, of enterprises. They tend to identify themselves with the capitalist class.

THE WHITE-COLLAR OCCUPATIONS

With this definition of classes in mind, let us now consider the group of white-collar occupations. The U.S. Census subdivides them into four major subdivisions, as follows:

DISTRIBUTION OF EMPLOYMENT IN WHITE-COLLAR OCCUPATIONS*

	1900	1920	1940	1959	1960
			(in millions)		
All white-collar occupations	5.1	10.5	16.1	27.8	28.7
Of these:					
Proprietors, managers, officials, except farm	1.7	2.8	3.8	6.9	7.1
Professional, technical and kindred workers	1.2	2.3	3.9	7.1	7.5
Clerical and kindred workers	0.9	3.4	5.0	9.3	9.8
Sales workers	1.3	2.1	3.5	4.4	4.4

*Detail may not add to total because of rounding. Figures for 1960 include Hawaii and Alaska and are not strictly comparable with figures for preceding years. However, percentage change is not significantly affected by the inclusion of the last two states.

Proprietors, Officials and Managers. Of the four white-collar sub-divisions only this first group may properly be classified as predominantly capitalist and middle-class. Figures of the Bureau of Labor Statistics show that in 1960 this subdivision consisted of over 7 million people. Making up 10.6% of the employed force, it included the following occupations:

DISTRIBUTION OF PROPRIETORS, MANAGERS AND OFFICIALS, 1960

	Number (thousands)	*% distribution*	*% of total employed labor force*
Proprietors, managers, officials, except farm	7,067	100.0	10.6
Of these:			
Self-employed except in retail trade	1,776	25.0	2.7
Self-employed in retail trade	1,767	25.0	2.6
Salaried employes	3,524	50.0	5.3

These figures show that only one-half of the 7.1 million proprietors, managers and officials, or the 3.5 million self-employed businessmen in retail trade and other business, can be considered capitalists or middle-class. And about half of these 3.5 million (1.8 million) are owners of retail trade establishments, such as small neighborhood food stores, luncheonettes, candy and stationery stores, the owners of which are among the poorest of the middle strata, frequently referred to as the petty bourgeoisie.

Licensees. A large number of these small businessmen are only "licensees" who are "in business for themselves" under a franchise agreement with some substantial capitalist concern. There are now over 400 big firms in foods, art (including greeting cards), auto parts, miniature golf, metals, etc., "selling" franchises to licensees, whose number at the end of 1960 was estimated at 100,000.

A franchise usually entitles its holder to use a trade-mark name such as Midas-automufflers; Chicken Delight; Aunt Jemima Kitchens; Hosteller Studios; Carvel; Howard Johnson Restaurants. The licensee gets "guidance and advice" from the franchising firm. He pays for this privilege a lump sum in cash at the start, agrees to pay a royalty of 2%-

3% or more of his gross sales, and contracts to buy the goods he sells from the franchising firm at prices set by the latter. The giant Quaker Oats (one of the 150 largest industrial corporations) exacts from its licensees $5,000 for the license, $2,600 fee for a site study and a royalty fee of 2% of gross, in addition to building and land costs.

A small number of licensees, if they happen to strike a good location, may make a reasonably fair living by having the entire family slave day and night at the job. There are also on record individual cases of licensees doing well financially. But the great majority are fortunate if they can make ends meet. Here is the record of a typical licensee case:

"In 1957, Chester Podbielski, a 55-year-old Harvey, Ill., factory hand, quit his job and with his wife Lillian, 47, put $13,000 of savings into a Chicken Delight unit. . . .
" 'We knew it would be hard work but we didn't know how really tough,' comments Mrs. Podbielski. 'We worked seven days a week and many a weekend we were cleaning cookers at 4 a.m. Worse, we never earned more money than my husband was making at his factory job.' After two years, the couple gave up their venture, recovering about half of their original investment by selling the equipment and franchise."*

The 1.8 million other self-employed businessmen who are engaged in non-retail business also include many petty establishments, like laundromats, cleaning stores, hand laundries, most of which are merely collecting and delivery stations for the big mechanized enterprises. Among these self-employed there are a certain number of businessmen who may be better off financially, but who are only nominally self-employed. These include those who must obtain franchises from giant monopolies in the oil, automobile and appliance industries, owners of filling stations (some 224,000), automobile dealers (over 64,000), relatively small manufacturers of parts for a single great concern, or owners of some distributive business such as druggists.

The giant corporations have large numbers of supplier

*Kenneth G. Slocum, *"Franchises Flourish," Wall Street Journal,* December 21, 1960.

firms, which are under their complete control. General Motors Corp., boasts that it has 26,000 supplier firms all over the U.S. Many of these so-called independent businessmen are little more than managers, supervisors and foremen and they are not much more independent than the managerial supervisory staff of the corporation.

Salaried Managers and Officials. Of the 3.5 million in this group, the number who have some executive, administrative or supervisory functions with real authority, and who are close to the capitalist class, is relatively small. It is probably true that subjectively the majority of this group still consider themselves "bosses" and middle class. Objectively, however, they depend on the sale of their labor power. The continued concentration and centralization of capital reduces the positions involving real authority and responsibility to a small fraction of the total number, and it also reduces the chances for advancement to high-paying positions. Note also that officials of federal, state and local government, as well as officials of lodges, societies and trade unions, are included in this group.

Putting salaried managers and officials together in a common group with proprietors or capitalists tends to hide the ruining of these small proprietors whose businesses are bankrupted, closed down, taken over, bought out, or merged into bigger enterprises, or who are reduced from the position of owners to that of salary or wage earners.

Clerical and Sales Workers. Of the other three subdivisions of white-collar occupations — the professional, clerical and sales — the most rapidly expanding were the clerical and kindred workers. During the sixty years since 1900 the number of clerical workers increased from less than 900,000 to over 9 million in 1959 and to almost 10 million in 1960. The number of professional workers in the same period grew from 1.2 million to 7.5 million; sales workers increased from 1.3 million to 4.4 million.

Clerical and sales workers are wage earners. True, they do not take a direct part in the production of goods (commodities) and surplus value, and they are therefore classified by Marxists as technically "unproductive workers." How-

ever, they do not own any means of production, and as a rule they also have no managerial or control relationship to the means of production. They depend entirely on the sale of their labor power to the capitalist employer. The capitalist would not employ these workers but for the fact that he needs their work in order to be able to realize his profit. He cannot begin the process of production until he transforms his investment. Only after that money or investment has been expended on buying raw materials, machinery and equipment and on hiring workers can he start producing the final finished goods or commodities, such as automobiles or clothing. The finished goods he gets as a result of the process of production must have greater value than the original capital he invested, if he is to get any profit on his investment. But he must first sell these finished commodities before he can get back both his original capital and his profit. In other words, he must transform the finished commodities his hired workers produced back into capital or money, before he can realize his profit and start another cycle of production.

Clerical and sales workers engaged in this process of circulation, of buying and selling, are therefore performing an essential function for the capitalist, and are exploited by the capitalist since they perform partly unpaid labor. Here is how Marx puts it: "The commercial laborer does not produce any surplus-value directly. But the value of his labor is determined by the value of his labor-power, that is, of its costs of production, while the application of this labor-power, its exertion, expression, and consumption, the same as in the case of every other wage laborer, is by no means limited by the value of his labor-power. His wages are therefore not necessarily in proportion to the mass of profits, which he helps the capitalist to realize. What he costs the capitalist and what he makes for him are two different things. He adds to the income of the capitalist, not by creating any direct surplus-value, but by helping him to reduce the costs of the realization of surplus-value. In so doing, he performs partly unpaid labor.*

**Capital*, Vol. III, Kerr, p. 353.

Clerical and sales workers are, accordingly, members of the working class. As Marx forecast, with the immense increase of the gross profits (surplus value) appropriated by the capitalist class, the number of these commercial, clerical and other nonproductive workers has been growing, and their labor has depreciated. Mechanization and automation are speeding the process leading to the elimination of substantial differences between these white-collar workers and the productive workers or blue-collar workers.

Professional, Technical and Kindred Workers. The U.S. Bureau of Labor Statistics includes in this subdivision of white-collar workers the following three major occupational groups. The figures are for 1960.

	Number (thousands)	*% distribution*	*% of total employed labor force*
Professional, technical and kindred occupations, total:	7,475	100.0	11.2
Medical and health occupations	1,299	17.3	1.9
Teachers, except college	1,620	21.7	2.4
Others	4,555	61.0	6.8

The medical and health occupations include not only physicians (236,800 in 1959) and dentists (100,600 in 1959) but also registered and practical nurses, dental mechanics, medical technicians, laboratory workers, and hospital attendants. The junior medical staff makes up the much larger part of this subgroup, Even a great number of physicians and dentists are now no longer self-employed, but are working on a fixed salary for big medical organizations, pharmaceutical firms, or industrial and other corporations, for example, as plant doctors. Probably three-quarters of this group could be considered as wage and salary workers.

Teachers and Others. Some 1.6 million, or nearly 2.5% of the total employed labor force in 1960 are teachers who work for wages. They own no means of production, and they depend on the sale of their (mental) labor power. Their income as a rule averages about that of moderately skilled workers. And they acquire their income in much the same

manner as workers do — by receiving a specified compensation for specified hours of work. It is also agreed that the majority of the teachers are "underpaid."

However, they do not take a direct part in the production of either goods or profits for any particular employer. On the surface it would appear that these mental workers occupy no place in our social system of production. But it is a matter of common knowledge that the tax-supported free public school system came into existence and grew up to its present proportions in the course of the development of the capitalist economy.

It was only when and to the extent that schooling of labor became essential for the social system of capitalist production and exploitation that universal compulsory and free elementary education and the public school system was established and sanctioned as part of our way of life.

Providing a modicum of schooling for the children of the workers has become almost as important a condition for the reproduction of the work force and the assurance of an abundant supply of replacements for "outworn" workers as providing for these children a minimum of food, shelter and other material conditions of survival.

Teachers, especially those in the public school system, thus perform a necessary function to enable the capitalists to continue and expand the production of goods and profits. Many of them may consider themselves as belonging to the middle class. Objectively however, the great majority are part and parcel of the working class.

Finally, there are 4.5 million engaged in "other professional, technical and kindred" occupations. This group of occupations includes, for example, actors, artists, lawyers, and social workers. But the great majority consists of scientific research workers, engineers and technicians.

Increasing mechanization and automation has created a greater demand for these engineering, technical, scientific and research workers. It was estimated that in 1957 nearly two million persons in the U.S. were working as scientists, engineers and research workers. In addition, more than 900,-

000 technicians were employed as assistants to these scientists and engineers.*

Certain firms employ as many as four to ten thousand engineers, scientists and technicians. In July 1960, 2,400 engineers and scientists, working for the Radio Corporation of America in its plants in Croyden, Pa., alone, went out on strike and established regular picket lines.

After a six-day strike the RCA, on July 11 concluded a one-year agreement with the Association of Professional Engineering Personnel (an independent union), granting some improvement in working conditions and a 4¾% pay increase. Earnings of the striking engineers prior to the settlement ranged upward from $6,000 a year.

The time has passed when the typical professional engineer, technician and even scientist, was self-employed, maintaining his own office and offering services to various firms. The overwhelming majority of them are no longer in a position to maintain the status of strict individualism that depends entirely on one's own capacity and merits. In an enterprise employing a thousand or more engineers there may be a few dozen with supervisory functions. The great majority are leveled down to a common denominator, nearly to the same extent as the blue-collar mechanic working in the plant.

Large numbers of engineers now hold membership in unions of their own, such as the American Federation of Technical Engineers and Flight Engineers International Assn. Also some predominantly blue-collar unions, especially the Auto Workers and the Electrical Workers, include locals of engineers.

Karl Marx, in discussing the effects of mechanization on

*The National Science Foundation includes in its classification of scientists and engineers only persons engaged in scientific and engineering work at a level which requires a knowledge of physical, natural and mathematical sciences equivalent at least to that acquired through completion of a four-year professional college course. This Foundation, on the basis of a survey by the Bureau of Labor Statistics, estimates that the total number of such scientists and engineers in private industry was slightly over 800,000 in 1959. (*Statistical Abstract of the U.S.*, 1960, p. 542.)

division of labor in the factory, did deal with what in his time was the "numerically unimportant class of persons" such as "engineers, mechanics, joiners, etc." and their status with relation to the working class. (Capital, Vol. I, Chapt. 15.) He found that, "This is a superior class of workmen, some of them scientifically educated, others brought up to a trade; it is distinct from the factory operative class and merely aggregated to it." But he said: "This division of labor is purely technical." In a note to this finding, Marx says: "It looks very like intentional misleading by statistics . . . when the English factory legislation excludes from its operation the class of laborer last mentioned in the text" [i.e. the engineers, etc.] Clearly, Marx considered these engineers, technical and kindred workers as an integral part of the factory work force and of the working class.

The analysis above shows that the classification of white-collar workers as a separate "middle class" has no foundation in fact. Of the nearly 29 million so-called white-collar workers making up over 43% of the total labor force, no more than 3.5 million, slightly more than 5% of the total labor force, could properly be classified as capitalist and middle class. The overwhelming majority of the other workers put in the white collar grouping do not own any means of production and by the place they occupy in the process of production and reproduction they are wage (salary) earners and belong to the working class.

CLASS DIVISION OF THE LABOR FORCE

A sounder method of classification used by the U.S. Census and the Bureau of Labor Statistics is that which distributes the labor force between self-employed and unpaid family workers, and wage and salary workers.

This method, too, is not entirely scientific. It is based on the source of income and not on the basic relationship to the means of production. However, with certain corrections to be discussed below, these figures present a fairly accurate picture of the trend in the class division of the economically active population.

DISTRIBUTION OF TOTAL EMPLOYED CIVILIAN LABOR FORCE

	1940 %	1950 thousands	1950 %	1960 thousands	1960 %
All classes	100.00	59,957	100.0	66,881	100.0
Wage and salary workers	75.0	47,710	79.5	55,842	83.7
Self-employed	21.9	10,415	17.3	9,169	13.8
Unpaid family workers	3.1	1,831	3.2	1,670	2.5

The proportion of self-employed and unpaid family workers declined during the last two decades from 25% of the total in 1940 to slightly over 16% in 1960. During the last 10 years, since 1950, this class of capitalist and middle strata declined not only relatively but also absolutely, from 12.3 million in 1950 to 10.8 million in 1960. Far from absorbing any portion of the working class at least 1,500,000 self-employed "independent" businessmen and other "middle class" elements were squeezed out of their "middle class" positions and reduced to the status of wage and salary workers.

The proportion of wage and salary workers, on the other hand, increased from 75% of the total economically active population in 1940 to 83.7% in 1960. During the last 10 years the absolute number of wage and salary workers grew from 47.7 million in 1950 to 55.8 million in 1960, partly as a result of natural increment and some net immigration, and partly as a result of the reduction to the position of wage (salary) workers of the agricultural and nonagricultural middle strata of near-capitalist elements. Far from being dissolved into the middle classes, these latter strata are deprived of the means of production and forced into the working class.

Some corrections must be made in the above figures to have them reflect more accurately the class divisions of the economically active population. The Census classification of wage and salary workers includes executive, administrative and supervisory personnel.

Some of the executive and administrative personnel as well as government officials have a certain ownership relationship to the means of production and many more have a relationship of control towards the means of production and

the work force. These elements definitely belong to or are, in any case, close to the capitalist class. However, even of these supervisory personnel and officials the majority exercise functions of such minor importance that their position with relation to the means of production is not much different than that of foremen or senior workers.

In any case, this category of salaried workers included by the Census in the group of proprietors, managers and officials, as we have seen, comprises only 3.5 million, or 5.3% of the entire labor force. Even if we eliminate this whole category, the working class of the U.S. still comprised (in 1959) some 52.3 million, or over three-fourths of the entire economically active population. As we have noted above, the working class has been continually growing both in absolute numbers and in proportion to the total labor force.

CLASS DIVISION IN AGRICULTURE

The above data refer to the entire economically active population including that in farming. But the class division in agriculture is distinguished by some special characteristics.

More than half of the people working on farms (2.8 million out of a total of 5.4 million*, in 1959) were self-employed as either farmers or tenants. We need not elaborate here on the position of this segment of so-called independent farmers, mostly small farmers and tenants known as family farmers. The insecurity and pauperization of the majority of self employed farmers is a matter of common knowledge. (For current facts on the subject see *Facts for Farmers,* the monthly bulletin of Farm Research, Inc.)

Since 1920 migration from farms totaled nearly 27 million (including the natural increment), and has been a source

*In addition to farmers, farm managers, laborers and foremen there were also engaged in agriculture some 300,000 nonfarm workers, such as professionals, salesmen, nonfarming proprietors, clerical workers, craftsmen, nonfarming laborers. So the total number of people in agriculture in 1960 was 5,723,000. The Department of Agriculture nas a higher figure for the farm working force which for 1960 came to an average of 7.1 million.

of the growth of the nonagricultural labor force, primarily the wage-salary earning working class.

One aspect of the migration from farms merits special attention. The rate of migration has changed with the phases of the business cycle. During the years of depression, as in the decade 1930-1940, when it was very hard to find jobs in nonagricultural occupations, migration from farms declined. In that decade it amounted to an average of 383,000 or 1.2% a year. On the other hand, in the recovery and boom phase of the cycle, migration from farms increased to 1,190,000, or almost 5% annually.

The farms do not need more workers in times of depression than in good times. The only reason for the drop in the rate of migration in bad times is the inability to find jobs in urban areas. The decline in the rate of migration from farms in the declining phase of the cycle is an indication of the proportional increase in hidden unemployment in agriculture by another million workers a year. Not being able to find nonagricultural jobs, these farmers (and unpaid family workers) had to remain on the farm making themselves useful in some way. The growing hidden unemployment in agricultural as well as in nonagricultural occupations reflects the increasing inability of capitalism to employ fully the available labor force.

CLASS DIVISION IN NONAGRICULTURAL OCCUPATIONS

The proportion of the working class in nonagricultural industries is larger than in the total population. The table below shows the proportion of employed wage and salary workers in the total employed nonagricultural labor force. These statistics include all wage and salary workers who worked any part of the time during the reporting period, but not the fully unemployed. They also exclude the self-employed and unpaid family workers, as well as service workers in private households. These figures are collected by the Department of Labor from the payrolls of all nonagricultural private and public establishments. When corrected by elimi-

nating the salaried workers with managerial functions and by adding the totally unemployed wage and salary workers, these figures represent the working class only. A summary of these figures (uncorrected) follows.

	1929	1932	1937	1949	1955	1960
1. Total employed nonfarm civilian labor force (millions)	37.2	28.8	36.5	50.7	56.2	60.7
2. Employed nonfarm wage and salary workers (millions)	31.1	23.4	30.7	43.3	50.1	52.9
3. Proportion of wage and salary workers—%	83	81	84	85	89	87

As noted above, the number of salaried workers with any managerial functions was 3.5 million in 1960. The number of totally unemployed wage and salary workers was over 3.1 million, comprising 5.6% of all wage and salary workers. By making these adjustments the working class in the nonagricultural occupations consisted in 1960 of at least 52.5 million out of a total of less than 61 million actively engaged in these nonfarm occupations, making up 86% of the total.

This figure does not include the 2.2 million domestic workers who are semi-proletarians and close allies of the working class. Nor does it take account of the 2.6 million in the Armed Forces, the great majority of whom are sons and daughters of the working class.

Let us now consider the long-range trend of the proportion of the working class in the total nonagricultural labor force. This trend clearly appears from the figures in the table above, which have all been collected on the same basis, during the entire period of 1929-1960. The trend is therefore not affected by the indicated inaccuracies of classification.

Eliminating the years affected by war, 1943 (World War II) and 1953 (Korea), the proportion of the working class in the total labor force increased (with but minor cyclical fluctuations) from 83% in 1929 to 89% in 1955, and then dropped to 87% in 1960.

In years of slack business activity, recession and depression, it is extremely difficult for unsuccessful self-employed

professionals and businessmen on the verge of bankruptcy, as well as for their unpaid family members, to find jobs as wage or salary workers. They are, therefore, obliged to stay in "business," however unprofitable. This is one type of hidden unemployment in nonagricultural occupations. Another type consists of displaced production and nonproduction workers, who are unable to find new jobs and who decide to risk whatever savings they may have plus some capital borrowed from family and friends, and invest in petty business — whose life expectancy, it is estimated, averages less than 1½ years. That explains why at the low of the depression in 1932, the proportion of wage and salary workers (including those with managerial functions) in nonagricultural occupations, declined to 81%.

II. THE CHANGING STRUCTURE

With but cyclical fluctuation the working class, as we have seen, comprises about four-fifths of the total labor force. And it has been continually growing both in absolute numbers and relatively as a proportion of the total economically active population. All the time it has been absorbing ruined elements of the middle strata in considerably larger numbers than any additions to these strata which are created anew in the course of capitalist production. But the structure of the working class, as we shall see, has been changing. These changes consist of shifts in its distribution between employed and unemployed (whether fully, partially or hidden); of shifts in its distribution between commodity* and service-producing occupations; and finally, of shifts in its distribution between production and nonproduction workers (in Census terminology) or between "productive" and "unproductive" workers (in Marxist terminology).

In a capitalist economy, employment is a function of capitalist production and reproduction, which includes the circulation of the invested capital, that is, the buying of raw materials and semi-finished goods needed for the production of the finished commodities and the later selling of these commodities.

The distribution of the labor force is affected by the boom and bust phase of the business cycle; by the continuous concentration and centralization of capital; by the reduction of the portion of the capital devoted to hiring workers while a larger portion is invested in plant, equipment, machinery, power and materials. This increasingly higher "organic

*A commodity is a tangible product — a pair of shoes, a nail, or a loaf of bread, produced not for the personal use of the producer but for sale. Employment in any kind of work other than production of tangible products for sale, is a non-commodity producing occupation. To illustrate: hotel or department store employees or nurses, are engaged in non-commodity producing occupations, while workers in the steel, automobile, apparel or canning industries are engaged in commodity-producing occupations.

composition" of capital is evidenced in the greater mechanization of the process of production and circulation. But every advance in mechanization and automation, every new labor-saving machine and computer involves a relative and at times an absolute reduction in the number of workers employed. It results in some redistribution of the labor force.

The structure of the working class is further affected by the concentration and centralization of capital. The growth of large corporations dominating both the economy and the state leads to the development of capitalism into state monopoly capitalism.

The tendency of monopoly is to restrict output in order to maintain high prices and extract super-profits. State monopoly capitalism harnesses also the taxation and fiscal policies of the state for the same purpose. This sharpens the contradiction between the social process of production and the appropriation of the fruits of production by private capitalists, especially by the monopolists. For it is in this period of monopoly capitalism that the capacity of the thoroughly organized process of production reaches unprecedented heights. At the same time, monopoly, which by its very nature seeks to strangle competition and exact inflated monopoly prices, inevitably brings about a shrinking of the market, thus imposing greater restrictions on output. This contributes, among other things to the retardation of economic growth and the clogging of the channels of circulation. It is one major reason why nonproduction industries — distributive and service industries — are developed and inflated out of all proportion to the social needs, with a correspondingly larger shift of the labor force into the service industries.

GOODS-PRODUCING AND SERVICE INDUSTRIES

Consider first the trend in the distribution of the working class between goods-producing and distributive and service-producing industries.

The first group, the commodity-producing industries, includes, aside from agriculture which we have already con-

sidered, mining, contract construction, manufacturing, transportation and public utilities. The service-producing industries are retail and wholesale trade, finance and real estate, and miscellaneous services (hotels, barber shops, laundries, entertainment, advertising, cleaning, dyeing, etc).

Official statistics also include government (federal, state and local) in this group of service-producing industries. However, government services, aside from their other characteristics, are also distinguished by their compulsory nature. The consumer has no liberty of choice, and he is compelled to pay for them whether he does or does not want them. For example, the majority of the people of the U.S. were opposed to overflights of foreign air space of the U-2 type, but they had to pay for that "service" just the same. Millions of Americans are strongly opposed to the nuclear armament race and to the swollen military budget, but they have to "buy" these "services" and pay for them in more burdensome taxes which are eating away the purchasing power of the people, thus contributing towards the shrinking of the market and increasing unemployment.

Besides, by far not all government employees are "service workers" or white-collar. Out of the 2,213,000 paid employees of the Federal government in 1960 (exclusive of the Central Intelligence Agency, the National Security Agency and the temporary Christmas help of the Post Office Department), 574,000, or 26% were classified by the government as "blue-collar" workers, i.e., as production workers. Also the 568,000 postal employees are engaged in transportation and communication, and should, therefore, be classified as production rather than service workers. Similarly, the 532,000 employees of state and local governments engaged in the construction and maintenance of highways are production and not service workers.

It would, therefore, be best to treat "government" as an industry in a class by itself. Thus we consider the shifts in the distribution of the working class as between three groups: 1. commodity-producing (including transportation and public utilities); 2. distributive and servicing; and 3. government.

DISTRIBUTION OF WAGE AND SALARY WORKERS BY MAJOR GROUPS

	1920	1943	1953	1958	1960
			(millions)		
Total	27.1	42.1	49.7	50.5	52.9
Commodity-producing industries	16.6	23.5	24.9	22.7	23.7
Service-producing private	7.9	12.5	18.1	19.9	20.8
Government	2.6	6.1	6.6	7.9	8.4

*Detail may not add to total because of rounding.

During these 40 years a considerable shift in the distribution of the working class between commodity-producing, service industries and government has taken place. The total number of workers employed in all industries almost doubled during these four decades. It increased from 27 million in 1920 to nearly 53 million in 1960. However, the rate of increase was much more rapid in service industries and government than in commodity-producing industries.

Employment in commodity-producing industries increased by only 43%, less than half the overall rate of increase for all industries. In 1960 there were 23.7 million workers employed in commodity or goods-producing industries against 16.6 million in 1920. Employment in these industries reached its highest level in 1953 when it was around 24.9 million. During the following six years, with but cyclical fluctuations, it showed a continuous declining trend, and by 1959, a prosperity year, it was 1,419,000 below 1953. However, in 1960 those industries regained about 200,000 workers bringing up their total employment to 23.7 million.

Employment in private service industries and in government grew at a much more rapid rate than total employment. Number in all service industries increased from nearly 8 million in 1920 to almost 21 million in 1960. The most rapid increase was in government service — from 2.6 million in 1920 to 8.4 million in 1960. During these four decades civilian employment in local, state and federal government grew nearly two-and-a-third times faster than the average rate

of increase for all industries and one-third faster than in the private service industries.*

As a result of these shifts the proportion of workers in nonfarm commodity-producing industries declined from over 61% in 1920 to less than 45% in 1960, while the proportion in (private) service industries increased from about 29% to over 39%, and the proportion in government from 9.6% to nearly 16%.**

In the private service industries the rate of growth in employment declined in recent years, especially after 1956. From 1953 to 1956 employment in these industries increased by 1,736,000, or nearly 10%; in the following three years, however, it increased only by 943,000, or less than 5%.

Only in government did employment continue to increase at an accelerated rate. During the 1953-1959 period it rose by 1,482,000, or more than 22%.

The significance of this marked relative increase of employment in the service industries and government is pointed out by a staff report of the Congressional Joint Economic Committee: "Historically, a shift of labor into services has been an early sign of developing weakness in the economy. In the late 1920's services were absorbing a considerable fraction of the increase in the labor force. This absorption continued through the first years of the great depression of the 1930's."

The report shows that "the large increase in low-wage employment in the service industries" during the postwar period, or since 1947, "was not necessary" for meeting the level of demand for services. "It was because of lack of job opportunities elsewhere that there was a relatively abundant supply of labor in these low-wage (service) industries, with

*Actually total government employment is substantially greater than indicated above. In addition to the 8.4 million civilian employees in 1960 approximately 220,000 foreign nationals are working for the government overseas. Adding the 2.6 million in the Armed Forces, we get a total of over 11 million people employed by the government.

**On a full-time equivalent basis total employment, including agricultural, is estimated at 56.7 million in 1959, and government employment at 10.07 million, making up 17.8% of the total. (*Survey of Current Business*, July, 1960.)

the result that the pressure for introducing labor-saving innovations which had been occurring since the end of the depression slowed down."* In other words, the relatively large increase of employment in the service industries had been in reality but another form of hidden unemployment. As we shall note below, technological innovation has recently been catching up in the service industries, too, so that they no longer can serve as an outlet for absorbing as much hidden unemployment as before.

The growth of urbanization, the rapid technological progress, and the commercialization or industrialization of certain distributive and servicing functions such as laundering, restaurants, hotels, motels, filling stations, entertainment, schools, sanitation, etc., makes for a long-range trend of increasing employment in these industries. But in the capitalist economy, especially in its state-monopoly stage, both the private distributive-servicing industries and government-service, are bloated beyond all bounds of social usefulness.** Some of these functions — for example, most of the stock exchange services and advertising, as well as government operations for militarist and imperialist purposes, are socially useless and wasteful, while many are distinctly harmful. In any case, there is little basis for the contention that the disproportionately expanded service industries and government employment are an indication of improved conditions, or a higher standard of living.

OUTLOOK FOR EMPLOYMENT IN SERVICE INDUSTRIES

Can the distributive and service industries be expected to continue to absorb a considerable number of production workers that are being displaced by advancing technology

*Joint Economic Committee of Congress, Staff Report on *Employment, Growth and Price Levels,* December, 1959.

**To cite one instance. Some 789,827 wage and salary workers were employed in the manufacture of motor vehicles, while fully 2,023,219 were employed in sales and service. (This does not include employment in gas stations, nor does it include employment by advertising agencies engaged in boosting automobile sales.) Automobile Manufacturers Assn. *Automobile Facts and Figures,* 1958 ed.

and automation, as suggested by the Department of Labor? Its own statistics do not lend support to this view. On the contrary, they show that technological progress is also invading the service industries.

Improved self-service technics in chain stores (prepackaging, central checking service, etc.), vending machines, and other improvements in sales procedures and equipment are slowing down the pace of employment growth in this field.

Electric typewriters, duplicating and photo-copying equipment, dictating machines, calculators, bookkeeping and recording machines, electronic data-processing machines and computers, are not only reducing job opportunities but are displacing clerical staffs in wholesale and retail trade, in insurance, banks and other services, including government.

In the 33 months from July 1957 to March 1960 the increase in employment in all these service industries amounted to only 450,000 workers, a decline of more than two-thirds from the 1,462,000 increase during the preceding cyclically similar 33-month period, July 1953 to March 1956. Only government employment showed a different trend. Its increase of 890,000 during that 33-month period was almost two-thirds larger than the increase of 550,000 in the comparable preceding 33-month period.

But even in government service the prospects are for increased pressure to reduce the work force by speed-up and extended mechanization. On July 22, 1960, the President ordered a cut of 3% (some 75,000) in Federal employment during the remaining 11 months of the 1961 fiscal year. This was the third year in a row in which reduction in the staffs of the Federal government were ordered. The two preceding cuts in employment, in fiscal years 1959 and 1960, were 2% each. Budget Director M. H. Stans, in a letter to all federal agencies, informed them that the President wanted them "to improve the use of existing personnel resources, to increase efficiency, to heighten productivity, to improvise, if necessary, rather than accept the easy way of simply increasing manpower."

The President's order followed a Pentagon cut in the number of its civilian employees by 2,500, announced July

19, 1960. Monopoly capital wants to squeeze out as much unpaid labor from government employees by means of greater speed-up and mechanization as it does in its own private enterprises. Cutting down employment opportunities in government service has the effect of increasing the reserve army of unemployed by additional numbers of grown-up youth entering the labor market for the first time and unable to find jobs.

EMPLOYMENT TREND IN MAJOR COMMODITY-PRODUCING INDUSTRIES

As we have seen, there has been a shift from commodity to non-commodity producing industries. The trend has varied from one industry to another. In mining, employment has been declining, from 1.2 million in 1920 to 664,000 in 1960, or by 45%. In coal mining alone, the number of workers fell from 785,000 in 1920 to 172,000 in 1960 or by nearly 78%. Production of coal, bituminous and anthracite, declined during the same period only 34%.

In transportation and utilities, employment during the same period declined from 3,998,000 to 3,901,000 in 1960, but the trend was neither continuous nor regular; employment fluctuated, and it is only since 1956 that there has been a practically continuous decline. However, employment on the railroads alone has declined continuously and drastically since the 1920's. (See below.)

The number of persons employed in contract construction increased continuously with only minor fluctuations. In 1960, some 1,922,000 more workers were employed in this industry than in 1920 when there had been only 848,000.

But the most important commodity-producing industry—manufacturing—has shown a decisive shift in employment since 1943. Total manufacturing employment in the war year 1943 exceeded 17.4 million. Since that time it fluctuated with the phases of the business cycle. In 1953 manufacturing employment reached 17.2 million—the highest level for any peace-time year—but it never again reached that level. In 1959 it was down to 16.2 million, or 1.2 million fewer than in 1943 and 1 million less than in 1953. But the physical

volume of industrial output in 1959 was 28% greater than in 1943 and 15% greater than in 1953. In 1960 manufacturing employment remained practically at the same level, 16.3 million, but physical volume of output increased by 2%.

The huge new investment in the manufacturing industry —$93.4 billion during the seven years 1954-1960—has been directed primarily toward increasing the productivity of the worker without increasing the labor force and preferably by a reduction in the number of workers employed.

PRODUCTION AND NONPRODUCTION WORKERS

In considering the structure of the working class, great importance is attached to the distribution of production and nonproduction workers, or in Marxist terminology, "productive" and "unproductive" workers. While these two classifications, to a certain extent, cover the same ground, they are not identical.

The Marxist term "unproductive" labor, must not be confused with socially useless labor. Marxists employ the terms "productive" and "unproductive" in a narrow technical sense. Only such labor as takes a direct part in the production of commodities and, consequently, in the production of surplus value, is considered "productive" in a capitalist economy. Any labor, however socially useful and necessary, as that of physicians, teachers, etc., which does not participate directly in the production of commodities and surplus value, would be considered as technically "unproductive." However, the labor of scientists, engineers, research and laboratory workers and their auxiliary clerks and other staffs whose work forms a direct constituent part of the process of production of commodities should be classified, as "productive" as are "blue collar" workers. For the same reason, workers engaged in storing and delivery, in installation of machinery, and in "force account" construction (i.e. workers hired directly and on the payroll of the establishment engaged in construction of major additions to the plant and utilized as a separate work force) are classified by Marxists as "productive" workers.

The U.S. Labor Department, on the other hand, considers all such workers, who are not engaged directly in the process of production within the plant itself, as "nonproduction" workers. However, all who are engaged in executive (except plant executives), purchasing, finance, accounting, legal, personnel, medical, advertising, cafeteria, credit, collection, routine office functions and supervisory, are classified both by the Department of Labor as "nonproduction" workers and by Marxists as "unproductive" workers.

The official statistics given below cover only Department of Labor classifications, which, as we have seen, tend to exaggerate the number of nonproduction workers. In the postwar period the proportion of nonproduction workers (clerical, credit, purchasing, etc.) has shown a tendency to increase at the expense of a relative reduction in the number of production or blue-collar workers.

In 1950, 11% of all construction workers belonged to the nonproduction category. By 1959 the proportion had increased to 14% and by 1960 to 15%.

In mining (coal, ore, petroleum, gas) the proportion of nonproduction workers increased from 17% in 1950 to 21% in 1959 and nearly 22% in 1960. In bituminous coal alone the proportion of nonproduction workers increased from 6.5% in 1950 to over 11% in 1959 and 12.5% in 1960.

For manufacturing industry as a whole, we have more complete data extending from 1919 to the present. Up to World War II, the ratio of nonproduction workers to the total number employed in manufacturing had fluctuated around 20% of the total, with the ups and downs depending of the phases of the business cycle. The proportion declined in the upward phase of the cycle when total employment was increasing and increased in the downward phase of the cycle when total employment declined. In 1932, for instance, out of a total of 6.8 million employed factory workers, over 22% were clerical and other nonproduction workers. On the other hand, in 1943 when total manufacturing employment increased to 17.4 million, the number of nonproduction workers increased only to 2.4 million, comprising less than 14% of the total.

During the postwar period since 1947, there are indications of a new long-range trend, the ratio of nonproduction workers tending to increase even during years of rising total employment. Between 1947 and 1960, total manufacturing employment increased from 15.3 million to 16.3 million, but the number of nonproduction workers increased from 2.5 million to 4.1 million or from 16% of the total to 25%.

However, the ratio varied in 1960 from nearly 10% for textile products to as high as 51% for ordnance and accessories, and 38% for chemicals and allied products. As a general rule those industries in which huge investments were made for new plant and equipment and research showed a higher ratio of nonproduction workers and a greater increase in their proportion over the years. These industries are:

Industry	*Nonproduction workers as a percent of total employment*			
	1947	1956	1959	1960
Ordnance and accessories	15	37	49	51
Chemicals and allied products	24	34	37	38
Printing, publishing and allied	33	36	36	36
Instruments and related products	22	31	35	35
Products of petroleum and coal	23	32	33	33
Electrical machinery	23	28	32	34
Food and kindred products	22	29	30	31
Machinersy, except electrical	21	26	30	30
Transportation equipment	18	26	29	29

EFFECTS OF AUTOMATION AND MECHANIZATION

In general terms automation is merely a continued development of technological innovation and mechanization of production. It is a stage in which the degree or quantity of mechanization changes its quality. According to one definition, automation includes the mechanization of thought and control processes. Control functions which even on the assembly lines were still the distinctive human function are increasingly turned over by automation to the machine.

Automation has developed along two lines: equipment for processing data including the computer; and equipment for automatic controls such as automatic transfer devices in

automobile manufacturing, numerical machine tool controls and process controls, such as in oil refining. Recently the two fields have been merging. Closed-loop computer control, which is now gaining ground in chemicals, petroleum refining and electric power, links the computer to instrument control and acts as supervisor of the production process.

Automation, with its electronic "feed-back" controls, automatic self-controls and inspection and continuous automated production methods, was developed and perfected during World War II at government expense mainly in order to elaborate control systems for military equipment.

John Diebold & Associates reports that installations of automation equipment reached over $6 billion in 1960—an increase to 75% in the annual investment in automation during the last six years. Of this total investment slightly more than one-third has been put into industrial computers and about two-thirds in automatic controls and instrumentation. In both cases over two-thirds is invested in plants producing military equipment and military special systems.

Radical changes in production methods and labor skills are taking place in the enterprises of big business. Labor productivity has multiplied, output greatly increased while the work force has been cut and job opportunities drastically reduced. The benefits of automation have been appropriated by the monopolies, while all the burdens of increased job insecurity, reduced job opportunities and downgrading of skills to lower ratings have been put on labor.

The effect of increasing mechanization and automation is to reduce the demand for and to displace production workers. Unskilled laborers are the first to be affected by the increasing use of mechanical material handling, loading and unloading equipment, conveyor systems, forklift trucks, cranes and excavators. The decline in employment and job opportunities in the postwar period, especially after 1953, took place first of all and to a much greater extent among unskilled workers. The most routine and repetitive jobs were the first to be eliminated by automatic equipment. But since 1955 automation has spread at a more rapid pace markedly

affecting also the skilled workers, and especially the semi-skilled production workers.

As mechanization and automation are extended to processing of data and the control of consecutive and marginal operations and similar "thought control" processes, it also affects the white-collar occupations.

Technological innovation and automation does create a considerable number of new office jobs for research workers, scientists, engineers, programmers and analysts of automated equipment, punchers of cards for such machines, operators of automation machinery, and supporting technical staffs. But at the same time automation reduces the demand for and displaces routine clerical workers, bookkeepers and accountants. The more it penetrates offices the more it has a retarding effect also on the rate of increase in job opportunities even for professional and technical workers. In some cases these new occupations, too, are affected by the displacement of men by automated machinery.

From 1953 to 1959 the number of unskilled workers (laborers) employed in manufacturing was reduced by 26%, the number of semi-skilled workers (operatives) by 14%, and the skilled workers (craftsmen and foremen) by 9%. However, the greatest decline in the number of employed skilled workers (278,000 out of a total decline of 309,000) was during the last two years, 1958-1959.

The number of professional and technical workers in manufacturing increased 40% between 1953 and 1959, but the rate of increase slowed down to a trickle after 1957. This was true also of the sales workers employed in manufacturing industries. While from 1953 to 1957 they increased by 50%, the trend was reversed in the following two years and their number declined 3.5%. The number of clerical workers increased 19% during the full 6 years, but from 1957 to 1959 it declined 1%.

All-Manufacturing. A study by the Public Affairs Institute found that increases in productivity in 20 manufacturing industries between 1948 and 1955 resulted in a decrease in employment opportunities of 3,994,000 workers who would have been retained on the 1948 output levels per man.

The average labor saving, or loss of job opportunities in all manufacturing industries between 1948 and 1955 was 19.5%, and ranged from 4% in apparel to nearly 32% in aircraft parts.*

From 1953 to 1959 the total number of persons of all occupational groups employed in manufacturing declined by about 5%. Examination of several individual industries illustrates the general effects of automation and technological innovation on the labor force in recent years.

Steel. In 1950, the steel industry employed 540,000 production workers to turn out 96.8 million tons of steel. In 1960 it produced 99.3 million tons with but 460,000 workers. During the decade output increased by 2.5 million tons, but employment declined by 80,000 or 15%.

With greater mechanization and automation the U.S. Steel Corp. between 1953 and 1959 reduced or laid off one in six of its 1953 employees and still increased its output (shipments) by fully 23%.

The United Steel Workers reported that automation permanently wiped out 10,000 jobs in the steel industry during 1959.**

Automobile. From 1947 to 1960 the output of the motor vehicle industry increased by 65%, from 4.8 million cars and trucks to 7.9 million, while the number of production workers declined by 6%, from 649,000 in 1947 to 612,000 in 1960.

Railroads. Number of workers declined sharply in postwar years, from 1,327,000 in 1948 to 716,000 at the end of 1961. During the 13 years employment on Class I railroads was thus reduced by 611,000, or 46%.

The decline in rail employment has not been caused by declining railroad traffic. On the contrary, total railway passenger and freight traffic in 1957 was 33% above 1920, while employment was 51% below. The Senate Unemployment Problems Committee reported that even in the recession year of 1958, traffic was 19% above 1920, but employ-

*Stephen Raushenbush, *Productivity and Employment,* Public Affairs Institute, 1959.

**IUD Digest, AFL-CIO, Fall, 1960.

ment was 58% below. While employment continued to decline from 1958 to 1961, traffic stayed at about the same level.

Robot tracklaying equipment, automatic signalling and communications systems and devices for automatic handling and dispatching of freight cars are some of the new technological developments tending to further reduce job opportunities and employment on the railroads.

Construction. Even in contract construction, an industry in which technological innovation has proceeded at a relatively slow pace, mechanization and automation is beginning to make inroads. The greatly increased use of cranes and earth-moving machinery has affected the employment of laborers, while automated machinery for the mixing of various types of cement, the growing popularity of prefabricated housing units and pre-building housing and skyscraper parts and components tend to displace some skilled construction workers.

During the years 1956-1959 the value of construction contracts increased 15% but the total number of construction employees declined by 162,000 or 5.5%.

Elevators. Automatic elevators have spread from apartment houses to many commercial and office buildings, displacing 40,000 elevator operators in New York City alone and eliminating job opportunities for such operators in new buildings.

Offices. A recent two-year study of office automation in the San Francisco market reached the conclusion that for every five office workers eliminated only one job is created by automation; and those that do not disappear undergo a drastic change. Most of this change apparently is toward a stratum of equally dull, repetitive, low-paid jobs. (See also Walter Buckingham, "White-Collar Automation," *The Nation, Jan.* 6, 1962.)

Electronic data processing equipment, including computers, are displacing payroll, check-handling and bookkeeping employees in banks and large offices of insurance companies, giant corporations and government agencies.

To sum up, mechanization, automation, and other technological innovations have increased labor productivity many

fold. Automation installations, reducing by 25% to 95% the labor requirements for particular operations, are not uncommon. Commodities and services which have taken days, weeks and even months of man-hours to produce are now turned out by automated machinery in days or even hours. But this unparalleled expansion of labor productivity has brought neither accelerated economic growth nor greater stability. On the contrary, economic growth has been retarded and interrupted by more frequent setbacks and recessions.

The great achievements of science and technology have paradoxically made for more idle men and idle machines, creating unprecedented job insecurity forcing upon the workers greater tension and mental fatigue, while the high speed of production on automated lines leads to greater speed-up of the non-automated operations which come before and after. Finally, automation shifts ever greater numbers of "production" and "nonproduction" workers from the ranks of the employed into the ranks of the unemployed.

SHIFTS BETWEEN EMPLOYED AND UNEMPLOYED

Let us now consider the third most significant change in the structure of the working class—the shifts in its distribution between employed and unemployed (whether fully, partially, visible or hidden).

The Special U.S. Senate Committee on Unemployment Problems, after public hearings and investigation, submitted its summary Report to the Senate in March 1960. On the basis of official figures, which, as we shall see, tend to under-estimate the level of unemployment, the report found that, "Our unemployment rate exceeded 4% of the total labor force during 36 years of the present century; during 19 years it exceeded 6%. For a whole decade beginning with 1931, the rate exceeded 10%."

Underestimating Unemployment. Official figures underestimate the number of jobless and even more the rate of full unemployment. They also do not take into consideration part-time unemployment.

Determination of the number of fully unemployed depends on the so-called technical statistical formula. Is, for instance, a worker who has been employed a single hour during a certain week or who is waiting to begin collecting unemployment compensation, to be counted as fully unemployed or not? Without attempting an analysis of the various statistical methods let us indicate their effect on the estimated number of fully unemployed. A report by Labor Commissioner Martin P. Catherwood of New York State declared that under his state's own formula the unemployment figure for February 1961 would be about 660,000. However, under the formula suggested by the federal government the figure was estimated at only about 560,000. New York State by the size of its population and its varied industries is a representative enough sample for the country as a whole. On the basis of the New York State formula the number of fully unemployed in the U.S. in February 1961 would have been 6.7 million rather than the officially estimated figure of 5.7 million, and the rate of unemployment (unadjusted for seasonal fluctuations) would have been 9.5% rather than the officially announced 8.1%.

Aside from the indicated underestimation of *the number* of jobless, the official figures understate the rate of unemployment because it relates that number to the total labor force, which includes 10½-11 million self-employed and unpaid family workers. Senator Paul Douglas, himself an authority on labor statistics, in a statement to the U.S. Senate, July 12, 1961, showed that even the official underestimated total number of fully unemployed as a percent of the civilian labor force, minus the self-employed and unpaid family workers, would for the first half of 1961 come to an average of 8.8%, as against the understated official rate of unemployment of 7.6% (both rates not seasonally corrected).

Part-Time Unemployment. Taking as a basis estimates by the staff of the Congressional Joint Economic Committee of the loss of work-time by the partially unemployed, Sen. Douglas calculated that "the real percentage of unemployment," that is of the totally unemployed plus the full-time equivalent of part-time unemployed, is not 7% as indicated

by the officially stated rate of unemployment, but "is around 10% at least" (during first half of 1961).

There are authoritative figures for the basic goods-producing industries, indicating a much higher rate of loss of work-time, the term used by Senator Douglas in his estimates of unemployment for the entire economy. In 1953, according to official figures, over 3% of all workers in manufacturing, construction and mining were fully unemployed. (There is no information on the proportion of underemployed workers). Records of the Bureau of Labor Statistics* show that from 1953 to 1959 the aggregate number of man-hours worked in these industries declined by 11%. This is equivalent to a reduction in employment of 2,278,000 full-time workers. Adding the 11% to the 3% level of full-time unemployment in 1953, we find that in 1959 the total loss of hours for which work was not offered in these industries, which is the real measure of unemployment, was at least 14%.

It is on the basis of these figures and all other information at its disposal that a special "representative panel of experts" assembled by the U.S. Labor Department at the request of the U.S. Senate Special Committee on Unemployment reached the conclusion that, "Underemployment broadly conceived (i.e. including visible, disguised, hidden and potential unemployment) constitutes a major social problem, and in the postwar period has been a more formidable deterrent to national economic growth than has full-time unemployment."

For periodic careful reviews of all official unemployment figures and corrected estimates of the actual level of unemployment the reader is referred to Labor Research Association's *Labor Fact Book No. 15* and monthly *Economic Notes.* A detailed well-documented discussion of the entire problem of unemployment in its broadest aspects will be found in Hyman Lumer's new book, *Is Full Employment Possible?*

Unemployment has never disappeared from the American economy. But up to World War I it was a serious problem only during years of crisis and depression. It was not until

*U.S. Department of Labor, *Employment and Earnings,* May 1959 and May 1960.

1920-1921 that the nation became "unemployment-conscious." And it was not before 1931-34 that "unemployment was recognized . . . by all classes in American society as the most destructive by-product of modern capitalism."*

As summarized in the above-mentioned Joint Economic Staff Report on Employment Growth and Price Levels, "Even during the best times a substantial proportion of the population is suffering unemployment of sufficient frequency and duration to constitute a severe problem. In 1957, when the unemployment rate was only 4.3% overall, long-term unemployment—defined as lasting 15 weeks or longer—averaged 560,000, or almost 20% of the unemployed total. This means, according to a study submitted to this committee by the Bureau of Labor Statistics, that 3.4 million persons had 15 weeks or more of unemployment during the year."

During the 12 postwar years, 1947-1959, the U.S. experienced three recessions. All of them, in the words of the staff report of the Joint Economic Committee, were characterized by "the same pattern of decline and incomplete recovery. . . . After each postwar recession the unemployment was higher than it had been before the recession."

In the second quarter of 1960 the economy entered its fourth postwar recession. And it was noted again that the rate of unemployment during the peak of business activity preceding the downturn had risen higher than before the previous peaks.

Distressed Areas. By March 1961 the number of distressed major industrial areas of "substantial labor surplus" with over 6% of the labor force fully unemployed, had increased to a record of 101, or two-thirds of the 150 "major production and employment centers" classified by the U.S. Department of Labor. In addition there were 184 other localities officially classified as "smaller areas of substantial labor surplus."

Twenty of the 101 major industrial areas and 88 of the 184 smaller areas of substantial labor surplus were classified as "areas of persistent chronic unemployment," in which the

*John R. Commons *History of the Labor Movement,* Vol. III p. 114.

rates of unemployment were at least 50% above the national average for three of the previous four years.

WOMEN WORKERS INCREASE

The proportion of women working or looking for work has nearly doubled during the last 60 years, increasing from 20% of all women aged 14 and over in 1900 to 36.5% in 1960. In 1900 women made up 18% of the total labor force; slightly more than 1 in 6 workers was a woman. In 1960 every third worker was a woman.

During the last two decades the labor force grew mainly through the addition of large numbers of women, especially wives and mothers. The total employed civilian labor force increased during the last 20 years by nearly 15 million workers. Almost two-thirds of that increase consisted of the additional 9.5 million women who were drawn into the work force during that period. The rate of women's participation has been rising rapidly. In the 10 years from 1950 to 1960, some 5,700,000 women were added to the employed civilian labor force, accounting for more than three-fourths of the total growth during that decade.

Married Women. A survey by the Department of Labor* showed that the number of married women workers living with their husbands rose from 8 million in April 1949 to 12.2 million in March 1959. And in 1959 more than half (52%) of all the working married women had children under 18 years of age. Of that number 2,500,000 women had children under 6 years. One in five of all mothers living with their husbands and having children under 6 years were forced to go to work in order to help support the family. For instance, families with an income of $5,000 to $7,000 a year derived on the average 20% of their total income from wives' earnings.

It is generally recognized that wages by the breadwinner must be maintained at a level that will provide for the prevailing or the customarily accepted standard of living of

*U.S. Department of Labor, *Family Characteristics of Women Workers,* Special Labor Force Report, No. 7 August 1960.

families of the respective job classification. When a large proportion of the workers' families have to depend on two breadwinners—huband and wife—to make ends meet, it is bound to have a depressing effect on wage levels. This is reflected in the fact that women, just as nonwhite workers, must still struggle for the recognition of their right to equal pay for equal work. Women are not only employed to a greater extent than men at lower-paid jobs, but as a rule they are paid less for the same type of work. The (average) income of year-round full-time women workers in 1959 was $3,102, or 37% less than the average ($4,927) for men.

The occupational distribution of the women workers is distinguished by some special characteristics. About 6.6 million, or 30% of all women workers, are employed in clerical and kindred occupations, comprising more than two-thirds of all workers in that classification. In this occupational group there are 2.4 million female stenographers, typists and secretaries, making up 97% of the total in that classification.

The next largest number of women workers, 5.4 million or over 24%, are engaged in service occupations, including 3.2 million in service industries (such as waitresses and workers in hotels and lodging places) and 2.2 million in private households. Some 2.7 million, or over 12% of all women workers, are employed as professional, technical and kindred workers, such as teachers, nurses, hospital assistants and laboratory workers, while 1.7 million, or about 8%, are sales workers. There are 1.1 million women workers, or 5% of the total, classified as proprietors, managers and officials. Of this number about one-half are self-employed, while the other half are salaried managers and officials. About 3.3 million, or 15%, are unskilled workers or operatives, and 222,000, or 1% are skilled workers (craftsmen or foremen). These blue-collar women workers are employed primarily in the apparel industry—751,000; in the textile industry—320,000; in knitting mills—105,000; in food industries—186,000; in laundry and dry cleaning — 288,000; in electrical machinery — 180,000; and in footwear — 111,000.

Class Division. A larger proportion of the female labor force than of the male's belongs to the working class. Of

the total number 22.2 million women workers (including Hawaii and Alaska) in 1960, 19.6 million, or 88.4%, were wage and salary earners, and only 2.6 million, or 11.6%, consisted of self-employed and unpaid members of their families. Of the 21.2 million women engaged in nonagricultural industries, 19.3 million, or 91%, were wage and salary workers and only 1.9 million, or 9%, consisted of self-employed and members of their families. The number of high-salaried women workers and officials with managerial functions, as noted above, does not exceed 528,000. Assuming that all such women managers and officials are "middle class" we will still find that of all women workers at least 86% belong to the working class. And of the women engaged in nonagricultural occupations at least 89% belong to the working class.

NEGRO WORKERS

The Negro population of the U.S. increased in the last decade by over 25%. By April 1960 it was 18.9 million, comprising 10.5% of the U.S. population. The Labor Department's 1959 figures on the labor forces refer to the entire nonwhite population which also includes Indians, Japanese, Chinese, Filipinos, and some other nonwhite groups. But since Negroes comprised more than 95% of the total nonwhite population, the 1959 figures reflect their position within the U.S. working class.

Participation of the adult Negro population in the labor force in comparison with that of white workers was as follows in 1959:

Civilian population 14 years and over	Total (both sexes)		Female	
	Nonwhite	White	Nonwhite	White
Total (millions)	12.2	108.7	6.5	56.8
Labor force (millions)	7.6	61.8	3.0	19.9
as proportion of total	62.0%	57.0%	46.0%	35.0%
Employed (millions)	6.7	58.8	2.7	18.8
in agriculture (millions)	0.9	4.9	0.3	0.8
in nonfarm industries (millions)	5.8	53.9	2.4	18.0
Unemployed (millions)	0.8	3.0	0.3	1.1
Unemployment rate	10.5%	5.5%	10.0%	5.6%

Almost two-thirds of the total noninstitutional nonwhite population was in the labor force as against 57% of the white population. Even more striking was the difference in the ratio of labor force participation between nonwhite women and white women. Only 35% of the white women were in the labor force while of the nonwhite women fully 46% were either working or seeking work.

Another striking difference is in the ratio of unemployed. In 1959, the proportion of fully unemployed among the nonwhites was two times greater than among white workers—10.5% against 5.5%. As a general rule the Negro workers are the last to be hired and the first to be fired. This is partly explained by the fact that the Negro and other nonwhite workers are concentrated in unskilled and semiskilled trades which are the first to be displaced by mechanization and automation. And it is also a result of outright racist discriminatory practices. In January 1961 the unemployment rate for nonwhite men was 14.7% as against 7.2% for white men. Among women, the rate was 12.5% for nonwhites and 6.4% for whites.

Distribution of the Negro labor force between agricultural and nonagricultural occupations reveals the same tendency of Negro concentration at the bottom of the ladder. Of the 6.7 million employed nonwhites, in 1959, some 900,000, or 13.4% were employed in the agricultural industry, while of the white labor force only 8.3% worked in agriculture. What is more significant, 9.4% of all nonwhite farm workers were classified as farm laborers and foremen while of the white workers only 3.3% were in that classification. While the official statistics put foremen and laborers in the same category, the nonwhite workers hired are almost all laborers, who are the lowest paid of all farm workers and subject to the greatest job insecurity.

Some 5.8 million, or 86.6% of all employed nonwhite workers, were engaged in nonagricultural industries as against 91.7% of the total employed white labor force. In these industries also the Negro and other nonwhite workers are as a rule relegated to the lowest paid occupations.

In April 1960 almost three-quarters (73.3%) of all em-

ployed nonwhite men were engaged in semi-skilled and unskilled trades, either as operatives (28.6%), laborers (27.3%) or as service workers (17.4%). Of the white workers, on the other hand, only one-third (34.3%) were employed in these low-paid occupations. Of the employed female nonwhite workers, 80% were employed in these low-paid occupations, almost half of them as service workers in private households. Of the white women workers only 36.5% were employed in these occupations, and only 6.1% of these were in private household service.

A different picture is presented in the better paid occupations. Only 4.7% of all employed nonwhite male workers were in professional, technical and kindred occupations as against 12.5% of white male workers. Of the female nonwhite women workers, 6.2% were employed in these occupations as against 12.5% among white women workers. In the clerical classification there were 5.9% of all nonwhite male workers as against 8% of all white men; of the women nonwhite workers 9.5% were employed as clerks while of the white women 33.7% were so employed. About 2.3% of all nonwhite male workers were employed as sales workers as against 7.2% of white men. Of female workers 1.6% of the nonwhites were employed in that occupation compared with 9% of white women. Still more significant, the proportion of nonwhite workers employed as skilled craftsmen or foremen was less than half that of white workers—10.6% as against 22%.

In each of the respective occupations—professional, clerical, sales and craftsmen the nonwhite workers as a rule are concentrated at the bottom of the classification ladder.

One major reason for the low position of Negro workers in the structure of the U.S. working class is flagrant racist prejudice and discrimination not only by monopoly capital and government but also by some sections of organized labor.

Public school segregation which is practiced not only in the South but to a great extent also in the North; the fact that most states spend substantially less per capita on segregated Negro schools than on schools for whites; the very

low average per capita income of the nonwhite population which makes it impossible for great numbers of them to complete their high school education—all these conditions put the Negro workers at a disadvantage when looking for employment.

The lower educational level on which the Negro workers are kept is aggravated by deliberate anti-Negro discrimination on the part of the big industrial corporations seeking to divide the ranks of labor* and also by the survivals of Jim Crowism within the ranks of organized labor.

Negro workers gained some foothold in mass production industries during World War I, but they largely lost it during the depression of the 1930's. The labor shortage during World War II, combined with the wartime policies of the Federal Fair Employment Practices Commission, laid the foundation for the employment of Negro workers in many major industries. But in some of the union-shop industries, like the railroads, building and printing trades, the Jim Crow patterns prevailing in the better-paid skilled classifications were never cracked. Not until the CIO upsurge of the late 1930's was there any substantial number of Negro union members. Some one-and-a-half million Negro workers were members of trade unions by the end of 1959, (AFL-CIO estimate) but for the most part the Negro members have not yet succeeded in gaining full citizenship rights within the unions.

The 1955 constitution of the merged AFL-CIO included a clause stating that "all workers without regard to race, creed, color, national origin or ancestry shall share equally in the full benefits of union organization." But we still find that many local unions exclude Negroes either by special provision in their bylaws or in practice. A number of international unions maintain segregated local branches for Negro workers. These include the Railway and Steamship Clerks, the Airline Pilots, Locomotive Engineers and most

*A survey by the National Urban League in 1960 found that in New York the proportion of men with some college education who held low-wage service and unskilled labor jobs was almost five times higher for Negroes than for whites.

unions of the building trades. In addition, many unions, including the building trades and printing trades and metal trades practically bar Negroes* from their apprentice programs. This automatically excludes the Negro workers from the better-paid skilled positions. Herbert Hill, labor secretary of the NAACP, reports that less than 1% of the registered apprentices are Negroes.

The status of other nonwhite workers, such as Indian and Filipino as well as those from Puerto Rico and also the Mexican migratory farm laborers, is approximately the same as that of the Negro workers.

During the last twenty years, and especially since 1950, the position of the nonwhite workers has improved. But considering the very low starting point, the rate of progress has been all too slow. The proportion of nonwhite professional workers (both sexes) to total nonwhite employment increased 2.4% in 1948 to 4.7% in April 1960; the proportion of clerical workers doubled, from 3.3% to 6.6%; the proportion of sales workers increased from 1.1% to 1.8%. However, there was practically no increase in the proportion of craftsmen and kindred workers—it was 5.3% in 1948 and 5.7% in April 1960. The increased employment of Negroes in professional and clerical occupations has been primarily in the lower grades of government service.

Whatever improvement has occurred in the status of the nonwhite workers has been brought about by the struggles of the Negro people for civil rights and against all forms of segregation and discrimination.

The status of the American Negro can be described as a type of domestic colonialism. Hence the great upsurge in the national liberation movement against colonialism in Africa has contributed to the rebellion of the American non white population against all forms of Jim Crowism. It is clear that the Negro workers will no longer acquiesce in second class citizenship in the U.S. or in the organized labor movement.

*For instance, the Negro American Labor Council charges that Local 3 of the Brotherhood of Electrical Workers at the beginning of 1961 had 800 apprentices, but that during the 13 years since 1947 it has accepted only 4 Negro apprentices.

III. EFFECTS ON ORGANIZED LABOR

The changes in the structure of the working class have seriously affected the position of organized labor. The most momentous of these changes, as we have noted, include the shifts in the composition of the work force in favor of the traditionally weakly organized nonproduction or white-collar workers. Another has been the elimination, substitution and shuffling of skills tending to undermine established job classifications and seniority provisions. We have referred also to the accelerated pace of mechanization and automation including wider application of electronics with the resulting slashing of job opportunities and displacement of workers. This has made for increasing long-term and chronic unemployment and underemployment, and multiplied distressed areas even in "good" times of relatively high business activity.

Another effect of these technological changes has been the extension of the control of monopoly capital to practically every branch of the economy, with the resulting increase in the power of big business and its anti-labor attitudes.

EXTENT OF UNION MEMBERSHIP

In 1920 over five million workers, or roughly one-fifth of the total employed nonagricultural labor force, were in unions. But union membership declined in the following decade, partly due to the technological advances of that period which created labor surpluses even in years of high business activity. The decline resulted also from the fact that the prevailing type of craft unions were not well adapted to industries in which mass-production techniques have made the most rapid strides and which have benefited most from the boom.

By 1929 total union membership declined to 3.4 million,

which was about 11% of the nonagricultural labor force. By 1933, under the impact of the Great Depression, membership dropped to 2.7 million or 11.5% of total nonagricultural employment in that year. By 1936 it recovered part of its losses, and union membership increased to 4 million or 13.8% of the increased nonfarm labor force.

The subsequent labor upsurge and the vigorous organizing campaign of the CIO, combined with the more favorable conditions for union organization created by the New Deal and the tight labor market of the war prosperity years, resulted in a big growth in unionism. By 1945 union membership reached some 15 million or nearly 36% of all employed nonfarm workers. But from that point on there was relatively little progress.

In 1954, all unions, including independents, had a total membership of 18 million. This included 933,000 members in Canadian affiliates. Union membership in the U.S. was then about 17 million representing 35.1% of all employed nonfarm workers. By 1958 union membership had increased slightly to 18.1 million (including Canadian membership), but its proportion to total nonfarm employment declined to 33.7.%

Similar figures for 1960 show an increase of only 36,000 and a total still at around 18.1 million. Deducting the Canadian membership this left about 17 million, equivalent to 32.1% of the employees in nonagricultural establishments, the Bureau of Labor Statistics reported. Its conclusion was that nearly a fourth of the nation's total labor force and about a third of the eligible employees in nonfarm establishments belonged to labor unions. AFL-CIO itself estimated that 38% of labor's potential is organized, somewhat higher than the government figure given in the study of union membership in *Monthly Labor Review,* December, 1961.

The trend of union growth in relation to employment was graphically shown in a report by Stanley Ruttenberg, AFL-CIO Research Director, in the *American Federationist,* December, 1961. It concludes that, "In the most recent five years, the last half of the 1950s, there has been only a very slight increase in total union membership, a rise of less than

half a million. During these same five years, employment increased 2.8 million. Roughly this meant that for every seven employees added to the employment totals, there was an addition of one to union membership and six to the unorganized group. The percentage in unions therefore has declined in this most recent period."

The AFL-CIO itself declined from 16.1 million in 1954 to 15 million in 1958 and 12.5 million in 1961. The greater part of this loss is explained by the expulsion of the Teamsters, Bakery and Confectionery Workers, Jewelry Workers and Longshoremen. Increased unemployment accounted for possibly 300,000 of the loss. To a large extent it reflected the drastic permanent displacement of production workers in the basic industries.

For example, the Automobile Workers saw its membership decline from 1.5 million in 1953 to 1,260,000 in 1955 and 1,023,000 in 1961—a decline of 30% since 1953. In 1959 the situation had become so critical that this union laid off more than 100 organizers, converted its weekly magazine *Solidarity* into a monthly and borrowed $2 million from its strike fund to enable the organization to continue its major activities.

Similarly, the membership of the Steelworkers (which includes some workers in the aluminum industry, as well as some in metal manufacturing) declined from 1,194,000 in 1954 to 870,000 in 1961.

On the other hand, the building trades unions and others (trucking, garment industries, some classes of workers in servicing industries and offices) based primarily on the control of the job by skilled craftsmen, have not been affected to the same extent by the technological revolution. Automation and electronics have had relatively little impact, and a few of these unions showed increases in membership. The Teamsters, who also take in workers of various other trades, grew from 1.2 million in 1954 to 1.4 million in 1957 (before its expulsion from AFL-CIO) and to 1.7 million in November, 1961. However, the great majority of the craft unions barely held their own and some suffered membership losses. (A full analysis of trade union membership trends and poli-

cies is given by George Morris in his *American Labor: Which Way?* issued recently by New Century Publishers.)

ORGANIZING THE UNORGANIZED

Any effective answer to the challenge of the downhill drift in membership obviously demands unionization of the unorganized and lightly-organized occupations, industries and localities. However, under the impact of automation and the changed structure of the working class, both the objective and intrinsic problems faced by labor have become much more formidable. The increasing arrogance of big business, the institutionalized traditional concepts and methods, and the deliberate expulsion of all "left-wing" militants were turned by the changed conditions into much more serious roadblocks shackling and inhibiting labor's organizing efforts.

Taft-Hartley and Other Anti-Labor Legislation. A "profound study" by an independent survey organization, commissioned by the Steelworkers union, found that immediately after the end of World War II, while still maintaining the appearance of friendly cooperation with organized labor, the National Association of Manufacturers (NAM) and the Chamber of Commerce of the United States blue-printed "a well-conceived plot" to cripple the unions, and that "the first step was the enactment of the (1947) Taft-Hartley law."* This first step, as originally plotted, was followed by the oppressive administrative interpretation and application of the Taft-Hartley Act, by the deliberate fostering of an anti-union climate by Congressional committees allegedly investigating improper practices in the labor-management field, by the "right-to-work" laws enacted in 19 states during 1947-1959, and by the anti-labor Landrum-Griffin law of 1959.

By 1959 big business considered the time was ripe to pass from covert plotting to an overt frontal attack on organized labor before the latter had succeeded in fully assessing the

*Quotes from speech by Pres. David McDonald of the Steelworkers at the 1959 Convention of Industrial Union Dept. AFL-CIO.

changes wrought by the new technological developments and the ruthlessness of monopoly capital.

As reported by a leading labor reporter, A. H. Raskin (*N.Y. Times Magazine,* July 5, 1959): "In the front ranks [of the big business offensive were] the billion dollar corporations . . . Some of the harshest sentiments towards unions these days come from companies which only a few years ago were wholeheartedly embracing the doctrines of fraternity." Prolonged bitter strikes were provoked in steel, electrical equipment, mine, mill and smelting, railroads, meat-packing, ship-building and other industries. Of these the momentous 116-day victorious struggle of the steel workers in 1959 stands out as significant proof that when really united the class solidarity of the workers is strong enough to repel and defeat the most carefully planned offensive of monopoly capital.

The oppressive anti-labor laws, the anti-union spirit of their interpretation and application, and the anti-labor climate fostered by government agencies and media of comunication added significantly to the difficulties hampering the organizing efforts of the unions.

The Organizing Task. At the merger convention in 1955 the AFL-CIO set its sights on doubling its membership within ten years. In its report to the 1957 Convention the executive council estimated the "realistic organizing potential" to consist of 26 million, and that of these yet unorganized workers about half were white-collar employees and some ten million were located in the Southern states.

Later, at the 1961 AFL-CIO convention, John Livingston, director of organization, stressed the lack of organization among federal, state, and municipal employees with a total payroll of some 9 million of which he said less than 15% are enrolled in the union movement. He reported also that in the service trades, with 8 million workers, less than 15% are organized. And among the 6.5 million employed in retail and wholesale trades "the same low proportion of organization prevails."

When you count these three groups together, Livingston said, "you find today 22 or 23 million . . . unorganized people. If you want to look at them geographically, there are

6 million blue-collar workers in the South who are unorganized."

Labor Board Elections. The AFL-CIO unions depend mainly on National Labor Relations Board bargaining elections for organizing the unorganized.

Official figures of the National Labor Relations Board show that the AFL-CIO unions have been losing over the years in the percentage of elections won and workers involved. They have lost both to the unaffiliated unions and to workers persuaded by employers to vote against any union affiliation. In 1938 the AFL and CIO unions won 71% of the elections and in 1943 nearly 77%. Since then they have shown a decline each year and in 1960 they won less than 38% of the total. Measured by the percentage of total valid votes cast in these elections, they won 68% in 1938, over 69% in 1943 but only 42% in 1960.

White-Collar Organization. The shifts in the work force left little room for questioning the conclusion reached by the research department of the Industrial Union Dept., AFL-CIO, that, "The labor movement must break out of its blue-collar shell and succeed in organizing the mass of white-collar workers . . . or it may be driven back and rendered quite ineffective in American life."

Several labor conferences devoted to this problem have been held. Some leading industrial unions such as Auto, Steel, Electrical, have created special divisions for professional and technical workers, allowing them to name leaders from their own ranks and to determine policy for the solution of their specific problems. The Steelworkers claimed in February 1960 some 45,000 dues-paying office and technical workers, in addition to 75,000 to 80,000 hourly-paid clerical members who belonged to production locals. But the white-collar membership of other predominantly blue-collar industrial unions is still quite limited.

A number of white-collar unions have been organized along craft lines, for example, those embracing office employees, technical engineers, retail, wholesale and department store workers, teachers, newspapermen, communication and transportation workers, public service (especially postal) em-

ployees, musicians and actors. Some have carried out vigorous organizing campaigns.

A local organization campaign among non-professional hospital workers in 1959 was quite successful. But no effort has been made by the interested unions or by the AFL-CIO to extend the organizing effort on a nationwide basis to the 1.4 million of these workers in the 6,000 hospitals of the country.

Overall, the number of organized white-collar workers has shown no growth. The Department of Labor estimates that there were some 2.4 million such workers in unions in 1948; 2.5 million in 1957 and 2.2 million in 1958 and 1960. The proportion of organized white-collar workers declined from 16% of their total number in 1948 to but 11% in 1960.

In the South. The effects of automation and mechanization have transformed the traditionally anti-union South into a serious threat to all organized labor. The shifting and reduction of the work force by automated machinery, electronic and other devices made it advantageous for many companies to abandon old less efficient two-and-three story plants and to move their operations into new smaller one-story plants built mainly in low-wage and anti-union areas of the southern and border states. Partly as a result of the mechanization of agriculture these states have long been areas of greater labor surplus than the national average. The process was accelerated by campaigns of local chambers of commerce and manufacturers associations with their tempting promises to prospective migrating firms of free buildings, financing, tax exemptions and, above all, pledges to keep unions out and wages at a low level. For instance, W. R. Legge, Senior Administrator of the Arkansas Industrial Development Commission, in soliciting northern firms to move to Arkansas, argues that, "our average wages are 30% to 40% lower than the national average." (*Wall Street Journal,* July 21, 1961.)

Such inducements have led to a growing tendency on the part of companies, especially in the lumber and pulp and paper industry, the metal trades, the textile, apparel and clothing industries, to migrate from largely unionized centers to the South and other backward communities where

unionism still has to fight for its very existence.

Some more vigorous organizing efforts have been made from time to time by individual unions, such as the Textile Workers, Ladies Garment Workers, the Clothing Workers, and the Hosiery Workers. But these have often been met with violence and brutal resistance. In 1959, for instance, the director of the Textile Workers organizing campaign was savagely attacked by "unknown" assailants; the organizer of the Hosiery Workers was beaten and forced to leave town; an official in charge of the union's struggle against dressmaking firms in Florida was blackjacked during the Ladies Garment Workers' convention in Miami; two organizers of the Textile Workers taking care of a strike against the Fitzgerald Mill Corp. were dragged from their motel room, knifed and beaten. "Appeals to federal agencies and to local officials," reported the AFL-CIO executive council (in 1959) "were of no avail."

Without the united and adequate support of the entire labor movement, individual unions have at best made some slight gains but no breakthroughs in any important southern industry. Enrollment efforts among the more than 500,000 unorganized textile workers and the nearly 250,000 nonunion chemical workers, not to speak of the lumber, pulp and paperworkers, have never gotten off the ground. Nor have any significant results been achieved by sporadic campaigns among the more than 250,000 unorganized apparel workers.

Farm Workers. A campaign to organize migratory farm workers, especially on the fruit and vegetable farms of California, was initiated by the AFL-CO in 1959. It met with sharp resistance from the big capitalist farmers who had the support of anti-labor local authorities. As a result of bitter struggles wages were forced a little higher and working conditions were somewhat improved. Although the campaign was reduced in 1961 a resolution was passed at the AFL-CIO convention in that year calling on all affiliates to support the effort with funds and manpower.

Jurisdictional Roadblocks. Traditional craft unions of skilled workers, comprising around 10% of the nonfarm la-

bor force, have depended on rigid jurisdictional control of the job to improve conditions and increase the wages of their members. At the merger convention in 1955 the industrial unions accepted a no-raiding agreement that in effect barred mass organizing drives which would inevitably cut across jurisdictional lines of the craft unions. These roadblocks also had the effect of immobilizing the AFL-CIO organizing staff who were prohibited from extending aid to any union's mass recruiting drive unless all other unions whose jurisdiction might possibly be involved, gave it a green light.

Jurisdictional conflicts have long embittered the relations between the industrial unions and the craft unions of the building and metal trades. A resolution was introduced at the 1959 IUD convention, which while pledging to abide by the no-raiding agreement, pleaded that this agreement "must be clarified that it shall not become a shield for 'sweetheart' agreements [with employers] or [for] other unethical practices." But the craft unions were unmoved by the resolution's appeal to all unions to "work together rather than bicker" over institutionalized jurisdictional vested interests and the resolution was buried in committee.

With the progress of automation and technological change the industrial unions in the mass-production industries were confronted with the need to bring all workers of their industry under the same organization roof. This need was reflected in the officers' report to the IUD Convention in November 1961 which said that "the past two years have been years of keen disappointment. Inter-union disputes have not abated. They have increased. Jurisdictional conflicts persist." Unions still boycott the products of other unions. "Affiliates raid each other." And, "unethical organizational literature still provides comfort for the anti-union employer."

A resolution calling for the AFL-CIO to set up arbitration machinery with binding terminal decisions on all jurisdictional disputes was passed by this convention. The following convention of the AFL-CIO itself in December, adopted a compromise constitutional amendment providing for medi-

ation in jurisdictional disputes, determination by an impartial umpire if mediation fails, and the imposition of sanctions by the executive council for noncompliance. It provided also for an appeals machinery to the council in cases where an affiliated union holds that the impartial umpire's decision is not compatible with the AFL-CIO constitution, not supported by the facts, or is otherwise "arbitrary and capricious."

PROGRAMS FOR JOB SECURITY

The rapid spread of mechanization and automation, the contraction of employment opportunities, and the rise of chronic unemployment even during peak prosperity periods —these have tended to undermine the effectiveness of traditional trade union job security safeguards. Labor organizations, and especially the industrial unions in mass production industries, have been struggling with this problem, groping for ways to meet the situation that has been growing increasingly serious.

Longshoremen and Warehousemen. This organization on the West Coast found that the major technological revolution now taking place in the longshore industry has created greater difficulties for the enforcement of the work rules on which they have depended for many years to protect the job security of their membership. At the end of 1957 the union entered into an agreement in principle with the Steamship and Stevedoring Employers for certain modifications of the work rules on condition that the workers share in the benefits and savings flowing from the mechanization and increased productivity. A special Fund was established in 1959 in which the employers made a contribution of $1,500,000.

In October 1960 a detailed agreement was concluded which provided for payments by the employers of $5 million a year for 5½ years so that by the end of that period the Fund would have a total of $29 million (including the initial $1.5 million). This Fund is to be used to put a floor under earnings and to permit earlier retirement.

The agreement provides: a guarantee against layoffs of any worker of the regularly employed (fully registered) work force; a guaranteed weekly minimum wage, computed

monthly, of 35 hours which at the 1960 hourly rate amounts to $98.70 (this guarantee applies to any reduction of hours due to mechanization and improved efficiency); expressed contract provisions against individual speed-up or infringement of safety rules, (these last guarantees apply to the entire work force, including casuals or extra men); provisions for voluntary early retirement at any-time between the ages of 62 and 65 with a monthly pension of $220. (At 65 this includes the social security benefits.)

It is further stipulated that in case work opportunity falls drastically, early retirement may be made mandatory by joint agreement of the union and the employers. In that event the men forced to retire will receive an extra $100 a month from the Fund, or a total of $320 per month until the age of 65 when they return to their normal pension, now $115 exclusive of Social Security. After 15 years of service the worker becomes entitled to a vested share in the Fund, and after 25 years his right is fully vested and amounts to $7,920.

This militant union, led by Harry Bridges, fully realized that the agreement does not and cannot provide (to quote an official statement) "a complete solution to the problems resulting from machines displacing men."

Pension Plans and Severance Pay. About ten million workers were covered (at the end of 1957) by pension plans under collective bargaining. On the basis of a study by the U.S. Bureau of Labor Statistics of 100 such pension plans covering some 3.3 million workers early in 1958, the AFL-CIO found that for the retiring worker with 25 years' service who averaged $3,600 a year, the average monthly pension would be $57.50; for one who averaged $4,200 a year it would be $65.50 a month. However, pension payments received by the workers under these plans, just as those of the miners, may be reduced in times of economic crisis when the revenues of the pension funds drop below a specified level.

In recent years many unions have come to employ severance pay plans not merely as a financial cushion for laid-off workers, but also as a financial incentive for the employer to plan ahead to minimize displacement among his workers and as a financial deterrent against the "runaway" shop.

Severance pay plans are rarely established on an industry-wide basis. They vary so much from one another that there is no way to determine their overall effectiveness.

A typical plan is that established in 1960 by the Ladies Garment Workers and the Merchant Ladies Garment Assn. It provides for the payment by the employers of ½% of their total payroll to finance weekly benefits of $12.50 to $25 to laid-off workers for as long as 48 weeks (dependent on the worker's length of service). A fourth of each laid-off worker's total benefits are paid to him in a lump sum.

Severance pay plans on somewhat similar lines have been won by the Clothing Workers, Hat and Millinery Workers and Meat Cutters.

Supplementary Unemployment Benefits. Some of the major industrial unions in steel and aluminum, automobiles, and rubber, have secured Supplemental Unemployment Benefit (SUB) plans. Collective agreements concluded in 1955 and 1956 provided for the establishment of special trust funds, as a rule managed by the company, out of which the laid-off worker is paid supplementary unemployment benefits, ranging from $2 to $25 a week, depending upon the years of service. When combined with the state unemployment compensation, these supplementary benefits are supposed to give the worker with the highest seniority up to 65% of his usual take-home pay. Under these plans, however, payments are to be reduced when heavy unemployment has drained the funds below prescribed levels.

In addition to the direct financial benefits, these funds are an acknowledgement by the corporations that laid-off workers are entitled to receive substantially higher unemployment compensation than that provided by present state systems of unemployment insurance. The major deficiency of these plans is that as a rule they apply only for the limited period during which the worker is entitled to state unemployment compensation. (See *Labor Fact Book 15*). Moreover, the plans lose a great deal of their effectiveness during periods of long-term unemployment.

In December 1960 several large steel companies, for instance, began slashing the supplementary benefits. A number

of smaller firms had done so at an earlier date. In December 1960, U.S. Steel, for example, cut the supplementary benefits by approximately one-third. In January 1961 they were cut to 60% of their agreement level and in February to 52.5%. Some of the smaller steel companies slashed the supplementary benefits to only 30% of the agreement level.

Need for Shorter Workweek. Another line of effort has been the struggle for the shorter workweek which labor has carried on through state and national legislation as well as through direct bargaining with employers. After referring to the "several ways" labor had tried to approach the question of automation, Pres. David J. McDonald of the Steelworkers, at a conference at Harvard University on June 2, 1960, said, "We are the first to admit that valuable as these steps [SUB plans, pensions, longer vacations] are in their own right . . . they still are not adequate in the face of the rapid onrush of technological unemployment. Our union and other great unions have sought a more comprehensive approach in recent years—a shorter workweek (of either 30 or 32 hours) with no loss in pay."

This was also one of the important demands of the steel union in its 1962 negotiations despite the opposition of the Kennedy Administration to the shorter workweek as it pleaded with labor for "voluntary restraint."

The 1961 convention of AFL-CIO laid more stress than usual on this demand and passed a resolution urging member unions to campaign for a reduction in work hours as "an ingredient in our attack on unemployment." The economic report to the convention repeatedly stressed the need for cutting hours. It argued: "Technological change and the accompanying, increasing productivity are gaining momentum . . . Unless some of the benefits are taken in the form of shortening the time of work . . . unemployment will continue to mount steadily. Technological progress is making shorter hours not only possible but essential."

Militant independent industrial unions such as the United Electrical, Radio and Machine Workers (UE) have been among the leaders in the struggle for the shorter workweek as a partial answer to the advances in automation and

cybernation. But craft unions also have shown strength in this drive.

One of the most significant moves in this direction was made by a craft union, Local 3 of the Brotherhood of Electrical Workers in New York City, in January, 1962. After a week's strike it won the 5-day, 25-hour week for 9,000 construction electricians. Although disapproved by the Kennedy Administration and some national labor officials, this achievement was expected to influence other unions in their negotiations for a shorter workweek.

Some Labor Demands. While the efforts of the unions have been varied and carried on through different channels, several basic immediate points in a program to meet the challenge of the new technology, the changing labor structure and the spread of unemployment, could be listed as follows:

1. Repeal and/or revise such oppressive legislation as the Taft-Hartley Act, Landrum-Griffin Act and state "right-to-work" laws.

2. Enforce the anti-trust laws against monopoly and pass new legislation to prevent "administered" prices.

3. Achieve a shorter workday and reduce the legal standard workweek at least to 35 hours without loss in pay.

4. Increase legal minimum wage to $1.50 an hour and extend the coverage to all wage and salaried workers.

5. Substantial improvement in wages and fringe benefits, the latter to include the guaranteed annual wage, supplementary unemployment benefits, and severance pay plans, as well as longer vacations as part of the worker's share in the benefits of the new technology.

6. Unemployment benefits to be increased to 75% of the average weekly pay and to be paid during the entire period of unemployment.

7. An immediate 10% increase in social security benefits, lowering of the age of retirement and provision of medical and hospital care to social security beneficiaries.

8. Increased federal funds for a vast program of public works, education, housing, school and hospital construction.

9. Revision of the tax system to ease the burden on low

incomes and small business. Repeal of inequitable sales taxes and elimination of all special tax privileges for wealthy individuals and corporations. Closing of all tax loopholes.

10. Substantial reduction of armaments, with released funds to be devoted to the stimulation of economic growth and the carrying out of other points in the labor program.

11. A curb on the flight of capital and its resulting job-destroying re-imports, and elimination of the restrictions on exports to the world's socialist countries.

These demands have been made by labor unions in the course of their continuing struggles, while organized labor as a whole is still striving to hammer out a comprehensive and effective program to meet the challenge of the new technology and bigger big business.

Despite the retarding effects of obsolete methods and procedures; despite the inter-union rivalries; despite the stagnation and the seemingly insoluble problems that beset the union movement, the day-to-day battles for maintaining and improving their working conditions and standard of living are bound to bring labor closer together. However imperceptibly, there is developing within the ranks of labor a dawning appreciation of their common interests and destiny.

Whether they are aware of it or not the objective conditions of their every-day union life and struggle tend to accelerate the identification of the individual worker, both blue-collar and white-collar, with the working class as a whole.

The struggles against greater insecurity, joblessness, and the blight of ghost towns, as well as the growing power and aggressiveness of monopolies, are bound to bring labor to a fuller realization of its interdependence, to regarding itself as a separate and distinct class. It is bound to gain a greater awareness of the decisive role it is called upon to play in the reshaping of society and the gaining of greater security and happiness for all.

Related Economic Writings in Paperback

People's Capitalism: Monopoly Under a New Name	*J. M. Budish*	.50
War Economy and Crisis	*Hyman Lumer*	1.75
Socialism, Utopian and Scientific	*Frederick Engels*	.65
Work Under Capitalism and Socialism	*A. Leontiev*	.75
How Soviet Economy Works	*Victor Perlo*	.75
Billionaire Corporations	*Labor Research Assoc.*	.35
Apologists for Monopoly	*Labor Research Assoc.*	.50
Monopoly Today	*Labor Research Assoc.*	.90
The Burden of Taxes	*Labor Research Assoc.*	.35
U.S. and the Philippines	*Labor Research Assoc.*	.50
U.S. Over Latin America	*Herman Olden*	.50
The Income Revolution	*Victor Perlo*	.35
Women Who Work	*Grace Hutchins*	.75
What Is Marxism	*Emile Burns*	.95
Marx As An Economist	*Maurice Dobb*	.15
Value, Price and Profit	*Karl Marx*	.35
Wage, Labor and Capital	*Karl Marx*	.30
American Imperialism	*Victor Perlo*	1.25
Imperialism	*V. I. Lenin*	.75
Marx's "Capital"	*A. Leontiev*	.75
U.S.A., U.S.S.R.—the Economic Race	*Victor Perlo*	1.25

LABOR FACT BOOK 15

Economic, Political, Social Conditions

Price $2.25

Write for complete catalog

INTERNATIONAL PUBLISHERS

381 4th Avenue, New York 16, N. Y.